(b) if so, the details thereof;

(c) whether account holder shall be responsible if he does not challenge the entries shown in the statement;

(d) whether account holder will bear the loss suffered due to any fraud in his account if he does not give timely information to the bank of any discrepancy in his account;

(e) whether bank officials are not held guilty of passing/clearing cheques/issuing cheque books on forged signatures; and

(f) if so, the reasons therefor and what action is to be taken against such bank official?

THE MINISTER OF FINANCE AND THE MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM): (a) and (b) In respect of accounts where Banks have not issued Pass Books, statements of accounts are issued at periodic intervals. Where customers have opted in writing to have statements of accounts, banks are expected to send the statements of accounts to the customers by 'post. In other cases customers get the statement' of accounts from the banks at periodic intervals.

(c) While it is in the interest of the account holder as well as the bank that the account holder brings to the notice of the Bank, at the earliest opportunity, discrepancies, if any, in his statement of accounts or Pass Book, there does not appear to be any ruling available to the effect that the account holder shall be responsible for not pointing out the discrepancies.

(d) Account holders will be responsible for the loss suffered due to any frauds in their accounts only if such frauds have arisen on account of contributory factors such as the collusion or connivance, by any act or omission of the account holder in the perpetration of the fraud.

(e) and (f) Appropriate departmental action as well as action under criminal law, wherever the circumstances of the case so warrant, is liable to be taken against bank officials, if procedural lapses or malafide intentions are observed in their conduct in relation to the passing of cheques/clearing cheques/issuing cheque books on forged signatures.

NPA of State Bank of India

1502. SHRIMATI CHANDRA KALA PANDEY: SHRI DIPANKAR MUKHERJEE:

Will the Minister FINANCE be pleased to state:

(a) whether State Bank of India has a total NPA of Rs. 3162.91 crores as on 31-3-95, comprising outstanding of Rs. 1 crore and above;

(b) whether the biggest defaulter is having an outstanding amount of Rs. 812.00 crores since March 1993; and

(c) if so, the action taken to reduce the NPA and to recover the outstanding amount from the defaulters?

THE MINISTER OF FINANCE AND THE MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM): (a) State Bank of India (SBI) has reported that the NPAs for domestic offices in respect or borrowers with outstandings of Rs. 1 crore and above, aggregate Rs. 4113 crores as at 31.3.1995.

(b) and (c) State Bank of India (SBI) has reported that the biggest defaulter is having an outstanding amount of Rs. 812.08 crores, as on 31-3-1995. SBI has lodged claims before the special court to recover its dues from the defaulter.

Prudential norms regarding income recognition, assets classification and provisioning requirements introduced by RBI in 1992 have brought about a greater awareness among banks, of credit risk and there have been conscious attempts on the part of the banks to keep their NPA at the minimum.